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Connecticut Energy and Technology
Committee
Room 3900, Legislative Office Building
Hartford, CT 06106

Re: HB-5362, An Act Concerning
Renewable Energy

The Energy and Technology Committee Public Hearing

Testimony of Trinity Solar

Ed Merrick, VP Marketing and Business Development

March 10, 2009

Thank you for the opportunity to provide written testimony on the referenced bill. Our comments are focused on the importance of promoting the usage of solar power throughout Connecticut and the ancillary benefits it provides. As background, Trinity Solar is headquartered in central New Jersey and is a privately-owned corporation that markets, sells, engineers, and builds solar power systems for residential, commercial and non-profit clients throughout the Mid-Atlantic and Northeast states. We have offices in Connecticut, New Jersey and Maryland. Since 2005, we have installed over 950 solar power systems and interconnected nearly 15 MW - making us one of the largest installers based on the East Coast. In 2008, we entered the Connecticut solar market with Bernies, a CT-based consumer electronics retailer, to market and sell solar power systems through their various state-wide store locations. Our efforts resulted in touching nearly 2,000 individuals and businesses located throughout Connecticut and teaching them about CT's solar program and how they can take control of their energy needs through the ownership of a solar power system.

Traditional electricity producers who rely on fossil fuels to generate power create great harm to our current way of life. The healthcare costs of our citizens, the damage to our environment and the future for our children are directly related to the choices we make on how we produce and use energy to power our lives.



Moreover, the consumption of fossil fuels increases our reliance on energy sources procured from foreign and often indirectly hostile governments to the citizens of the United States. Power generated from solar avoids most, if not all, of these hidden external costs yet those benefits are not recognized in its price when compared to fossil fuels.

With the ever-increasing need for upgrades to peaking power plants, transmission and distribution facilities, and the high capital investment requirements of new power plants, energy continues to become more expensive. These investments are typically financed over an extended time period of 20 to 50 years allowing the utilities to recoup their investments with a return guaranteed by the ratepayers. However, the cost for solar power, today, is generally paid upfront whereas the benefits are realized over a 20 to 30 year period – much like utility power plants. To be placed on an equal footing with these utility power plants, solar must be financed over the life of the system and mechanisms should be created to easily allow for this. HB 5362 creates the market framework to allow this to happen.

In order to create a level playing field against the entrenched fossil fuel industry, it is clear that ongoing incentives are required. The federal government has done its part with the passage of the Emergency Economic Stabilization Act of 2008 which extended a 30% Federal tax credit available businesses for 8 years and lifted the \$2,000 tax credit limit for individuals. By layering this tax credit on to HB 5362, the citizens and businesses of Connecticut have an opportunity to own a solar power system and make a real difference in their environment while having an alternative to their continued rising electric bills. Most citizens don't have a choice of where they get their electricity. Solar finally gives them a choice. A choice that is good for the environment and good for future generations. Moreover, with federal incentives and the ability to finance solar over the life of its power production, solar, in many cases across the state, will be a lower cost alternative to power from the utility.

In concert with the ancillary benefits created by upgrading our energy infrastructure to include solar, one must consider the additional jobs this bill will create. Today, Trinity employs over 100 people with the majority of those residing in New Jersey. In 2007, we had a mere 30 employees. Our growth is directly related to the regulatory and legislative policies adopted by the state of New Jersey. The state has established renewable energy as a priority and put policies in place that allow companies to invest in growing this nascent industry. The combination of upfront incentives, Solar Renewable Energy Certificates, and a carve-out for solar energy in the RPS creates a platform in which companies can, with some degree of certainty, foresee market opportunities well into the future. With this insight, they are able to plan, invest and generate new jobs. In CT, Trinity supports 5 employees. However, CT's solar incentives and market structure are not adequate employ to these individuals full time and they are predominately supported by the policies established in NJ. With nearly 10% of the national workforce unemployed, an investment in solar means an investment in jobs. With the passage of this bill, we will invest in our staff and, my company alone, will easily grow to over 50 people staffed right here in



Connecticut. Without it, it is possible that we will withdraw from the state altogether. These jobs are highly fulfilling and well paid. Our employees make a difference in their world on a daily basis and they truly appreciate the opportunities working in the solar industry provides.

In our view, HB 5362 could put Connecticut on par with the rest of the leaders in the U.S. such as California and New Jersey with regard to solar policy. The bill provides appropriate incentives for all market segments. It creates market continuity and moves away from the boom and bust cycles of the past. It creates certainty of financial returns; thus lowering the risk to investors and lowering the overall cost to end-users. The incentives reward true energy production rather than capacity built. The bill recognizes the long life of a solar power system with a 15 year minimum SREC contract life. It creates a glide path toward a time when incentives will not be required for solar to compete against fossil fuels. We urge you to support this bill. It is comprehensive and inclusive. It will result in job growth within Connecticut and is the right thing for the environment as well as the citizens of Connecticut.

Since the 1950s, solar electric systems have been used to power satellites in space, telecommunication relay stations in remote mountainous regions, and signs on the side of highways. More and more, we are seeing them provide power to our homes, businesses and schools. Historically, solar power has been expensive in comparison to fossil fuels, but with technological advances, the cost of solar power has been rapidly declining. By 2020, it is clear that solar power can be the economic choice of Americans for powering their everyday needs. However, we still need your help in making that a reality.

Trinity appreciates the opportunity to provide testimony on this bill. Please feel free to contact me if you have any questions or if I can be of any assistance in regard to your consideration of this bill.

Sincerely,

Ed Merrick

